

South Florida Hospital News[®] and HEALTHCARE REPORT

THE REGION'S MONTHLY NEWSPAPER FOR HEALTHCARE PROFESSIONALS & PHYSICIANS

Cyber Breach: The Dark Side of Technology

Over the past year, we have seen a number of high-profile cases involving privacy breaches that included personal health information (AvMed), credit-card data (Target), and Social Security numbers, as well as other important personal information.

Cyber, or privacy, breaches are becoming a daily occurrence and quickly rising to the top of the list of risk exposures for medical practices and corporations alike. These breaches can come in a number of ways, including hackers who penetrate seemingly safe systems as well as stolen equipment such as computer laptops, tablets, or smartphones.

The results of these breaches can be devastating and very expensive for a practice or corporation that does not have the proper cyber/privacy insurance coverage in place. Most physician medical-liability policies contain only minimal coverage that offers very little protection and does not cover fines and penalties. This coverage is insufficient for most breaches that we have seen up to this point.

Most recently, AvMed agreed to set aside \$3 million for a breach of thousands of its customers' personal health information that was exposed when laptops containing unencrypted data were stolen. This is the first settlement in which victims of the data breach will be compensated without having to show they suffered any losses from the theft of their personal health information.

Cyber liability is rapidly becoming a major concern for anyone who stores or transmits personal information as part of their medical practice or business. We recommend that you speak with your professional liability specialist, or feel free to contact one of our specialists at 800-966-2120 if you would like additional information about how we can assist you in preventing these breaches and securing this important coverage.



BY TOM MURPHY

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